

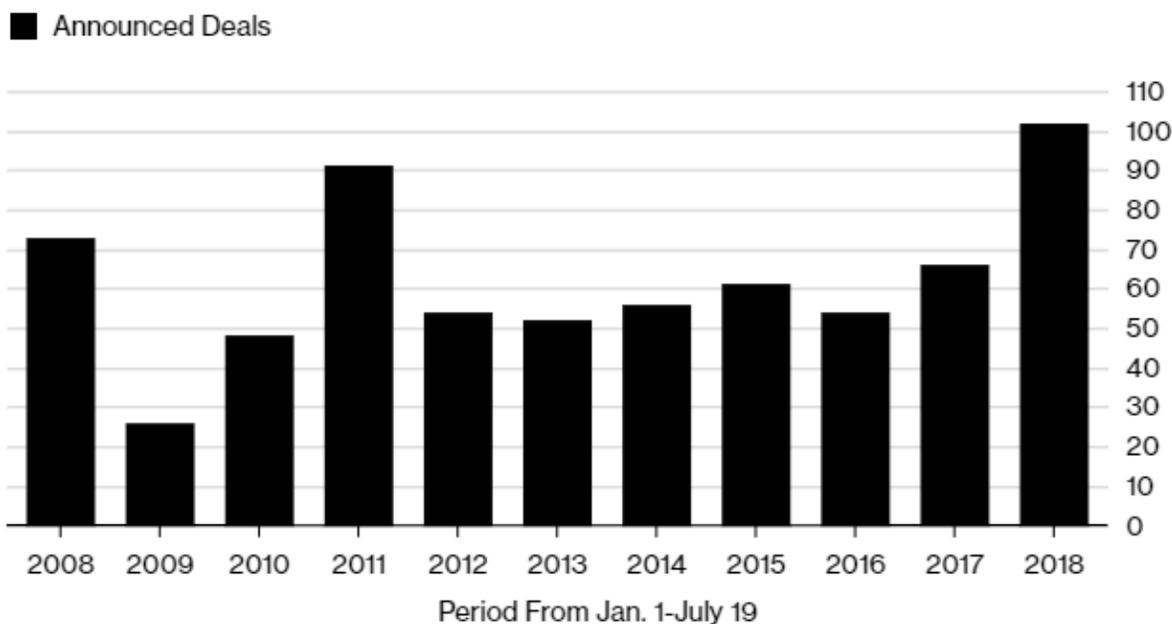


Frenzy of Spinoffs Swells to Fastest Pace Since Financial Crisis

By Drew Singer & Wendy Soong / Bloomberg News

Soaring markets and the rise of shareholder activism have compelled companies to plan spinoffs at a rate unseen since at least 2008. There's no end in sight for the frenzy as these new stocks keep finding ways to beat the market.

More than 100 companies this year have announced plans for spinoffs on U.S. exchanges, a 54 percent increase from the same time last year, according to data compiled by Bloomberg. This momentum could continue regardless of how the broader market performs, according to Jonathan Morgan, a deals analyst at The Edge Consulting Group.



“The pace of change is set and if the market goes higher, we will see management needing to realize value when valuations are full,” Morgan said in an interview. “If markets reverse, companies will still need to look like they are creating value.”

Morgan credits the surge to increased activism and strong performance of spinoffs over the past year. The Bloomberg US Spin-Off Index (BNSPIN), which tracks recent spinoffs, has gained 22 percent over the past year, outpacing a 13 percent gain in the S&P 500 Index.



Shares of Danaher Corp. jumped by as much as 7.4 percent Thursday after the company said it planned to separate its dental business. More spinoff news could be in store Friday morning with earnings reports from General Electric Co. and Honeywell International Inc., which are both planning to spin off business units.

To contact the reporters on this story:
Drew Singer in New York at dsinger28@bloomberg.net;
Wendy Soong in New York at csoong@bloomberg.net;

To contact the editors responsible for this story:
Courtney Dentch at cdentch1@bloomberg.net;

**Test today if The Edge Group can deliver you value you
can't get anywhere else in the world...**

Contact Us

SPINOFF  REPORT SPECIAL  SITUATIONS STRESSED  CREDIT

Want Investment Ideas Real Time?
Follow us on Twitter: [@edgegroup](https://twitter.com/edgegroup)